

Supplemental Rebate Contracting Process

The Department of Medical Assistance Services (DMAS) will be implementing a Preferred Drug List (PDL) program in January 2004 as outlined in the 2003 Appropriations Act. The Department has decided to seek Virginia specific contracts for pricing and supplemental rebates directly with manufacturers. Manufacturers are encouraged to provide supplemental rebate offers for consideration by the Commonwealth of Virginia.

The following therapeutic classes of drugs have been selected by the Pharmacy and Therapeutics Committee for PDL inclusion:

- Proton Pump Inhibitors
- Nasal Steroids
- Non-Sedating Antihistamines and combination products
- Histamine-2 Receptor Antagonists
- Inhaled Beta Adrenergics
- COX-2 Inhibitors
- Inhaled Steroids
- HMG-CoA Reductase Inhibitors (statins)
- Sedative Hypnotics
- Angiotensin Converting Enzyme Inhibitors and combination products
- Angiotensin Receptor Antagonists and combination products
- Beta blockers
- Dihydropyridine Calcium Channel Blockers
- Non-Dihydropyridine Calcium Channel Blockers

The Department has set the following deadlines:

Monday, September 8, 2004 - A comprehensive package with instructions will be sent electronically to manufacturers by First Health Services Corporation.

Friday, October 3rd: Manufacturers' final supplemental rebate offers must be submitted to First Health Services by close of business. The Department expects to receive best and final offers by this date. We expect the P&T Committee to select which drugs will not require prior authorization on October 15th.

Friday, November 7th: All manufacturer-executed supplemental rebate contracts must be received by First Health Services by close of business. Should the final contract not be received at this time, previous offers will be considered rescinded. We expect the P&T Committee to meet the week of November 10th to give their final approval of the PDL in conjunction with this activity.

Monday, December 1st: Final PDL posted on the DMAS website. This will be the official start date of all rebate contracts – i.e., when supplemental rebates begin to accrue.

Monday, January 5, 2004 – Implement prior authorization requirement for drugs that were not selected to be on the PDL for the initial drug classes.

If you have any questions, regarding the PDL process, please contact pdlinput@dmass.virginia.gov

All correspondence and inquiries regarding pricing and contracting should be directed to:

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